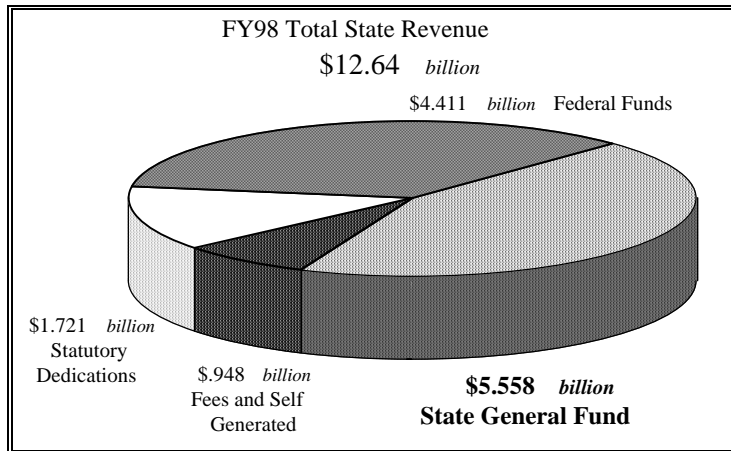


## THE FY98 BUDGET

The Louisiana state budget for FY98 totals approximately \$12.64 billion.

The means of financing makeup of that total is as follows:

- The State General Fund accounts for \$5.558 billion
- Agency self-generated revenue and statutory dedications support \$2.669 billion
- Federal funds are estimated at \$4.411 billion



The “budget” that was considered and adopted during the 1997 Regular Session for FY98 is somewhat unusual in that significant excess revenues from FY96 and FY97, as well as revenues for FY98, were available for appropriation in providing for the state’s operations and capital expenditures.

*Therefore, any comparisons of budget levels or budget growth from one fiscal year to the next must be qualified as to the points in time the budget levels represent and whether funds from one fiscal period are being used to finance appropriations of another fiscal period. The series of appropriation bills for FY97 (supplemental measures) and for FY98 which were used to structure the budget for FY98 are itemized below as reference:*

Bill #		Instrument
HB 1	FY98	General Appropriation Bill
HB 2370	FY97	Governor's Initiatives
HB 2	FY98	Capital Outlay
HB 1348	FY98	Judiciary
HB 2367	FY98	Legislative
HB 2067	FY98	Ancillary
HB 1843	FY98	Special - Employment Security Administration Fund
HB 62	FY98	Special - Constables/ Justice of the Peace back pay; judgments
HB 68	FY98	Special - Legal fees
HB 1233	FY98	Special - Judgment/Yongue
HB 1601	FY98	Special - Mandino/back pay
HB 2322	FY97	Supplemental Appropriations
HB 2273	FY97	Supplemental Capital Outlay

*It should also be noted that federal funds in support of the budget are projected to decline for FY98 from the FY97 levels by about \$212 million, or 4.6%. The federal funds estimate in the budget is subject to a great deal of change, however, and that amount will certainly be adjusted as the fiscal year transpires.*

*Finally, the adopted budget includes a debt defeasance plan which provides debt cost savings over the next several years. The savings from this budget strategy contributes greatly to the state's ability to advance priority areas of the budget such as education funding.*

## The FY98 Revenue Picture

*The surplus at the end of FY96 was \$318 million, designated as nonrecurring, and available only for debt retirement. Within the last six months, the Revenue Estimating Conference has increased the revenue estimates for the current fiscal year, FY97, and with a limited amount of known expenditure savings for the year, the minimum expected surplus over the originally adopted budget should be about \$354 million. For next fiscal year, FY98, the revenue estimates were also adjusted upwards significantly. The impact of these events resulted in the following:*

- Revenues available from FY96 and FY97 are used for a debt defeasance plan in the amount of \$363 million, resulting in recurring savings in debt cost over the next several years. For FY98, the savings is about \$148 million, which is available and is used to finance FY98 operating budget expenditures.
- One cent (1¢) of the state sales tax on certain exempt items, primarily food and utilities, will expire on June 30, 1997, resulting in a tax reduction and a revenue loss of about \$110 million in FY98.
- Despite the loss of revenue expected from the expiration of the one cent of sales tax on exemptions, the net revenue growth over the original FY97 budget base is almost \$300 million. These new funds are available for additional operating budget needs, particularly the need to replace the loss of federal funds in the Medicaid program resulting from the expiration of special financing provided by the federal government for FY96 and FY97.

## The FY98 Expenditure Picture

*The Legislature's debt reduction plan, designed to free recurring revenue for the future, results in the following revisions to the state's debt service requirements:*

### Debt Reduction

Debt Service <i>in millions</i>	FY98	FY99	FY00	FY01
Normal decline	\$-25	\$-63	\$-89	\$-114
Defeasance decline	\$-148	\$-100	\$-120	\$-25
New requirements*	\$27	\$54	\$72	\$90
<b>Net reduction</b>	<b>\$-146</b>	<b>\$-109</b>	<b>\$-137</b>	<b>\$-49</b>

*\*Assumes annual \$200 million of new debt issuance*

*Other "one time" revenue is also being channeled for nonrecurring use, much of which is for cash capital outlay funding. Capital Outlay funding is provided through both State General Fund cash and other cash sources, such as the Transportation Trust Fund, federal funds, self-generated revenues, etc., and through general obligation bonds. Between House Bill No. 2 (FY98) and House Bill No. 2273 (FY97), the following State General Fund cash capital outlay is funded:*

### State General Fund Cash Capital Outlay

<i>in millions</i>	
Highway overlay*	\$35
Higher education deferred maintenance	\$30
State parks road overlay	\$ 2
State building repairs, sprinklers, etc.	\$32
Capitol Complex development	\$10
Other projects - both state and local	\$112
<b>Total</b>	<b>\$221</b>

*\*Including Transportation Trust Fund and federal monies, a total of \$143 million is provided for overlay.*

*Other “one-time” monies are used for a series of the governor’s initiatives. House Bill No. 2370 appropriates FY97 monies to certain funds in order that the monies may be carried forward and expended in FY98 for the various programs established by other legislative instruments.*

**Funds Created**

	<b>Instrument</b>	<b>FY 97 (HB2370)</b>
School Leadership Development Fund	HB1379	\$1,000,000
Teacher Supplies Fund	HB1380	\$11,400,000
Charter School Start-up Loan Fund	HB2065	\$3,000,000
Classroom-based Technology Fund	HB1911	\$38,200,000
School and District Accountability Fund	HB2068	\$3,000,000
Higher Education Initiatives Fund Center for Innovative Teaching and Learning Account	SB1281	\$1,000,000
Higher Education Initiatives Fund Higher Education Library and Scientific Acquisitions Account	SB1281	\$10,000,000
Higher Education Initiatives Fund Higher Education Distance Learning Account	SB1281	\$3,000,000
Teacher Preparation Loan Fund	SB1224	\$1,600,000
Louisiana Technology Innovations Fund	SB1253	\$10,000,000
Economic Development Award Program	HB693	\$4,550,000

## Medicaid

### **The FY98 Medicaid Budget in Perspective**

*For FY98, Louisiana will be contributing state funding of about \$360 million more than in FY97 to maintain the Medicaid program. The increased contribution needed for FY98 is being made from a combination of new monies, transfers of monies and Medicaid eligible expenditures from other budget units, and prior year overcollections. The state monies are needed due to the expiration of the state's special financing consideration from the federal government. This financing consideration basically provided that the state's FY97 match rate was 18.54% as opposed to 28.51%. Without special consideration for FY98, the state's match rate will be 29.64%.*

*Two factors will ease the state's transition to its new match rate requirements: first, the state has additional revenues to commit to the Medicaid program because of increased revenue estimates; and secondly, a \$200 million "surplus" relative to the initial FY97 expenditure authorization has been realized in the Medicaid program. For FY97, about \$3.3 billion was appropriated for the FY97 Medicaid program; as the fiscal year closes, it is now estimated that actual program expenditures will be closer to \$3.1 billion.*

### **Alert: Impending Federal Policy Changes**

*The state's Medicaid program is largely dependent upon federal policy. Currently, Congress is considering several issues: repeal of the "Boren" amendment, which requires payment for institutional inflationary costs, and changes to the disproportionate share program. These items could have a significant impact on how Louisiana finances health care services for the medically indigent.*

## A FY98 Medicaid Programmatic Overview

*The General Appropriation Bill includes Medicaid funding for the restoration of the federal medically needy program and an additional 340 MR/DD Medicaid waiver slots. It is anticipated that provisions of all other services will remain at the FY97 level. Financing for the FY98 Medicaid program is based upon the following:*

<i>FY98</i> <i>in millions</i>	Medical Vendor	Admin-istration	Total
State General Fund	\$784	\$34	\$818
Interagency Transfers (Carryforward from prior year cost reports)	85		85
Fees & Self-generated	5	4	9
Statutory Dedications	70		70
<b>STATE funds</b>	<b>\$944</b>	<b>\$38</b>	<b>\$982</b>
FEDERAL funds	2,242	56	2,298
<b>TOTAL</b>	<b>\$3,186</b>	<b>\$94</b>	<b>\$3,280</b>
State Match Rate	29.64%	40.00%	29.94%
Federal Match Rate	70.36%	60.00%	70.06%

*The General Appropriation Bill also includes an appropriation for Medicaid eligibility determinations due to federal welfare reform changes. This appropriation, including up to 140 additional positions, must be approved by the commissioner of administration and the Budget Committee prior to its taking effect.*

*It should also be noted that an additional 300 persons on the MR/DD waiver list will be served through a direct State General Fund appropriation of \$2.6 million appropriated to the Office for Citizens with Developmental Disabilities. Act 378 cash subsidy funding of slightly over \$800,000 for 260 additional families in the Community and Family Support System was also provided to that office.*

## Private providers

The following reflects a comparison of private provider actual/projected expenditures from FY94 through FY98:

<i>in millions</i>	Actual FY94	Actual FY95	Actual FY96	Estimate FY97*	Projected FY98
Inpatient Hospitals	\$713	\$608	\$449	\$485	\$460
Outpatient Hospitals	110	128	115	111	116
Long Term Care Facilities	491	512	503	472	507
ICF-MR Community Homes	153	157	159	180	178
MR/DD Waiver	26	37	41	48	53
Inpatient Mental Health	241	107	65	27	28
Psychiatric Rehabilitation	16	33	10	6	6
Physicians	226	228	194	173	201
Pharmacy	219	234	245	249	273
Lab/X-ray	54	54	42	37	39
Emergency Transportation	13	14	14	16	15
Nonemergency Transportation	73	20	13	14	14
EPSDT†	54	57	54	48	49
Uncompensated Care	400	94	14	11	11
Others	121	151	126	132	133
<b>Total Private</b>	<b>\$2,910</b>	<b>\$2,434</b>	<b>\$2,044</b>	<b>\$2,009</b>	<b>\$2,083</b>

†Early and Periodic Screening, Diagnosis and Testing

\*June, 1997 DHH report plus \$9 million for the State Medically Needy program distributed; also includes the following nonrecurring expenditures:

- \$23 million for 88-12 inpatient hospital audit payments
- \$37 million for other audit payments (\$35 million to inpatient hospitals)
- \$24 million for 53rd check write

*If the nonrecurring items are “backed out” of the FY 97 numbers, the total for private providers is \$1.925 billion; the FY98 budget allocation is \$1.998 billion -- a \$73 million increase. However, the Department of Health and Hospitals (DHH) still projects that private provider expenditures will exceed the allocated amount for FY98 by about \$85 million, because the following cost increase items are included in DHH’s calculations:*

\$54 million	Inflation
\$28 million	Medicare crossover claims
\$15 million	Minimum wage for nursing homes
\$16 million	Annualizations and utilization
<u>\$49 million</u>	Net medically needy increase
\$162 million	Total inflation/program increases

*A portion of this amount should be absorbed by the implementation of certain cost saving reductions DHH has expressed its intent to initiate in order to insure efficiency and integrity in the program for FY98. There is strong legislative sentiment that the remaining shortfall, after implementation of DHH’s cost savings reductions, should be “absorbable” by the Medicaid program. Furthermore, if the projections of the cost increase items are overstated, for which there is certainly potential, it would be unnecessary for DHH to implement other cost saving reductions.*

*An expression of this legislative sentiment is reflected in the General Appropriation Bill requirement that DHH not reduce most rates below those currently in effect until September 1, 1997. At that time, DHH is required to present a report to the Joint Budget Committee to review the FY97 year-end expenditures and to further justify the FY98 projections.*

## Public Hospitals

### LSU Medical Center Health Care Services Division

*Act 3 of the 1997 Regular Session transfers management of the state's public hospital system to the LSU Medical Center Health Care Services Division. Significant features of the transfer relate to funding of the new division:*

- Separate funding is maintained for the hospitals and transfers between hospitals and LSU institutions are prohibited.
- No hospital can be closed or reduced below 10% of its annual expenditures without legislative approval; such approval may be accomplished through lack of funding for the hospital in the General Appropriation Act.
- The division is required to comply with the state planning and budgeting system pursuant to Subtitle I of Title 39.
- A "Health Care Service Fund" is established to serve as a repository of all sources of revenue on behalf of the division.
- Overcollections from Medicaid and uncompensated care are to be returned to DHH; the division may retain all other self-generated revenues and Medicare funds.

*The following chart reflects funding for the public hospital system. Included in these figures is about \$17 million for the new HIV immune therapy program; monies were not included for merit increases and inflation. Therefore, between \$10 to \$20 million in costs will have to be absorbed by the public hospitals.*

<i>in millions</i>	<b>FY 98</b>
State General Fund	\$1
Interagency Transfers	643
Fees & Self-generated	30
Statutory Dedications	6
Federal Funds	76
<b>Total</b>	<b>\$756</b>

## Social Services and Welfare Reform

*The Department of Social Services (DSS) is primarily funded through the federal government; hence, federal policy sets the agenda for the programs. FY98 is a particularly important year to Louisiana because of federal Welfare Reform efforts which have drastically changed the scope and requirements of the department.*

*The following are additional programs and or expenditures for DSS addressed by the legislature during the FY98 budget process, due in large part to federal Welfare Reform requirements:*

Purpose	State General Fund	Total Funding
Foster Care -- Foster Care Board Rate increases and new positions for foster care workers.	\$2,810,500	\$5,110,000
La. Automated Support Enforcement System	\$630,700	\$7,000,000
Child Care Assistance -- Additional State General Fund necessary to capture all federal funds available for child care services	\$1,490,057	\$5,448,105
SB1351 authorizes the Earned Income Disregard provisions which will assist recipients in the transfer from welfare to work by allowing recipients to maintain benefits for one year while working		\$6,897,143
SB1169 (Act 97) authorizes the New Hire Program as required by Welfare Reform regulations. The legislation includes 11 new positions.	\$86,999	\$168,879

## **Electronic Benefits Transfer Implementation Issue**

*On July 1, 1997, DSS will commence implementation of the statewide program requiring food stamp recipients to use electronic bank cards to buy groceries.*

*A dispute over the cost of implementation and who will bear such costs is at issue. DSS is not budgeted for the cost; the contract holder for the state installing the system was not required to and did not include such cost in the bid for the system. The contract has no provision for the contractor to pay this cost. Retailers are claiming they should be reimbursed for the 5¢ per transaction fee they will be assessed by the contractor for utilizing the system.*

*House Bill No. 2386 is pending the governor's signature and requires DSS to reimburse the retailers. However, DSS is not funded for this expenditure. Initial estimates for such reimbursement are set at roughly \$900,000 in total funding, with the federal food stamp program absorbing 50% of the costs; hence, the State General Fund requirements would be approximately \$400,000 to \$450,000 per year.*

## **Welfare Reform and Medicaid Eligibility**

*Prior to federal Welfare Reform, persons eligible for assistance under Aid to Families with Dependent Children (AFDC) were automatically entitled to coverage under the state's Medicaid program. Welfare Reform has severed this automatic link. Under the new Temporary Assistance for Needy Families (TANF), eligibility must be determined independently. About \$4.6 million, of which \$532,720 is State General Fund, is appropriated for these Medicaid eligibility determinations for TANF recipients, including up to 140 positions; the proposed expenditure and positions must be approved by the commissioner of administration and the Budget Committee prior to its taking effect.*

## K-12 Education

*The Minimum Foundation Program is the vehicle by which "per pupil" funding is provided from the state level to local school districts. In addition, there are other appropriations which augment K-12 funding levels. The following describes additional K-12 funding provided in the FY98 budget:*

- MFP funding is increased by \$54.5 million over the FY97 appropriated level, to be distributed through the formula which is intended to equalize funding among school districts. Of this amount, \$13.5 million must be used to equalize salaries in non-hold harmless school systems.
- \$65.2 million is appropriated to provide a \$1,000 pay raise to all instructional personnel. The new MFP formula will add another \$1.3 million in formula funds to the pay raise amount; the total available for instructional personnel pay raises is \$66.5 million.
- Teachers outside of the MFP formula (at special schools such as SSD #1, La. School for the Deaf, LSU and Southern Lab Schools, La. School for Math, Science, and the Arts, etc.) will receive a pay raise at a cost of \$2.0 million.
- Funds are budgeted for an education support personnel pay raise of \$500. Part of the raise (\$150) is contained in House Bill No. 2370 and the remainder (\$350) is in House Bill No. 1. In total, \$22.9 million has been allocated for this purpose. This pay raise covers support personnel funded through the MFP as well as those who are employed at special schools and at nonpublic schools.

- The K-3 Reading and Mathematics Program (new initiative) will distribute \$30 million to local school systems based on a plan developed by the Department of Education. Up to \$400,000 of the monies may be used by the Department to administer the program. A report detailing the impact of the program must be submitted to the legislature 30 days prior to the 1998 Regular Session.
- Additionally, funds have been appropriated in FY 98 for the following educational initiatives:
  - \$37.2 million for the purchase of computer technology for grades K-12.
  - \$11.4 million for the purchase of non-consumable instructional materials and supplies.
  - \$2.2 million for development of a school performance accountability program.
  - \$1.3 million for Charter School Loan Start-up for low interest loans to charter schools.
  - \$1.0 million enhancement of the Church-based Tutorial Program.

<b>Summary of New State General Fund for K-12 Education for FY98</b>	<i>in millions</i>
MFP increased support	\$54.5
Teachers pay raise	\$65.2
Non-MFP teachers pay raise	\$2.0
Support personnel pay raise	\$22.9
K-3 Reading and Math program	\$30.0
Purchase of computers K-12	\$37.2
Purchase of instructional supplies	\$11.4
Develop school accountability standards	\$2.2
Charter school low interest loans	\$1.3
Church-based Tutorial Program enhancement	\$1.0
<b>TOTAL</b>	<b>\$227.7</b>

## Higher Education

*Higher Education funding is enhanced in several ways in the proposed FY98 budget:*

- The faculty pay plan provided for in FY97, which was designed to raise faculty pay to the SREB average, required an annualization cost of about \$9.7 million for FY98.
- An additional \$15.5 million for current operations of public higher education entities, to be allocated in accordance with a plan adopted by the Board of Regents, is provided.
- A second infusion of \$30 million is appropriated for deferred maintenance on higher education buildings, which has been cited as an ongoing problem.
- \$10 million for academic and scientific equipment is specifically provided.
- \$8.6 million to match private funds in the form of Challenge grants is provided.
- A Distance Learning initiative is funded in the amount of \$3 million.
- Teacher preparation redesign and education majors scholarships are funded at \$2.6 million.
- \$1.4 million for the Board of Regents funds a planning and productivity section, development of an accountability plan, and the Louisiana Library Network.
- The LSU Medical Center is provided an additional \$43.5 million, of which \$28.5 million is direct State General Fund, to replace the use of nonrecurring reserve funds at the Shreveport medical school and hospital.

## Student Financial Assistance

*A revamp of the current college scholarship programs into a comprehensive, four-tiered program entitled the Louisiana Tuition Opportunity Program for Students (TOPS) was enacted which will result in an annual cost of about \$45 million when completely phased in by 2002.*

## Community Colleges

*The development of community colleges was a much discussed subject throughout the session debates relative to education governance, funding, desegregation, and economic development.*

- Part of the consent decree on higher education was the establishment of a community college in Baton Rouge; the appropriations bill contains \$2.4 million for start-up and operation of the Baton Rouge Community College and the capital outlay bill provides \$11.4 million for capital facilities for the new school.
- Initial start-up funding for the South Louisiana Community College was provided in the amount of \$630,000.
- The Bossier Parish Community College was transferred from the Bossier Parish School Board to the Board of Trustees for State Universities and Colleges and the related funding was moved from the Minimum Foundation Program to the university system.

## Vocational-Technical Education

*A total of 51 new (mostly instructor) positions are added to the vocational-technical school budgets. The appropriation for the schools is increased by \$1.45 million over FY 97, with \$1.1 million of that amount coming from the State General Fund.*

*The General Appropriation Bill also requires that the Department of Education submit a plan to create a \$475,000 pool for funding welding programs to the Joint Legislative Committee on the Budget no later than September 1, 1997. The pool of funds is to come from low enrollment programs throughout the vocational-technical system.*

## Workforce Development

*Act 1 of the 1997 Regular Session creates the Louisiana Workforce Commission in the Office of the Governor in an effort to coordinate workforce training and development efforts throughout the state and the current efforts of workforce training by the following:*

- Department of Social Services
- Department of Health and Hospitals
- Department of Public Safety and Corrections
- Department of Labor
- Department of Economic Development
- Department of Education
- Board of Elementary and Secondary Education
- Board of Regents
- Office of Women's Services, *Office of the Governor*
- Department of Veterans Affairs, *Office of the Governor*
- Office of Lifelong Learning, *Office of the Governor*
- Office of Elderly Affairs, *Office of the Governor*

*The new commission will consist of twenty-five members representing executive branch department secretaries, business and industry, organized labor, and secondary and vocational education.*

*A key component of the workforce development effort is the implementation of the Occupational Information System.*

*The system will coordinate and refine current information on employment and training trends and opportunities and labor market information and will establish a “score card” program on publicly-funded job training programs.*

<b>Funding for the Louisiana Workforce Commission and workforce-related activities</b>	<b>FY98 budget</b>
Transfer of funding from the Department of Labor to the Office of Lifelong Learning for the commission	\$300,000
Appropriation of federal funds for Louisiana’s School to Work Program	\$10.7 million
Funding for the Occupational Information System: -- \$200,000 in State General Fund -- \$500,000 transferred from the Workforce Development and Training Fund	\$700,000

## Economic Development

*State General Fund, including monies transferred from the Louisiana Economic Development Fund (LEDEC), are included for the following economic development efforts of the state:*

\$'s	FY 98 Funding (HB1)
\$500,000	U.S. Senior Sports Organization, if the organization commits to move to Baton Rouge and allows Louisiana to host national games in 2001
\$1,000,000	Regional Initiatives program for economic development
\$1,000,000	Town of Coushatta economic development
\$6,000,000	Naval Reserve Force Systems Executive Office for Manpower and Personnel
\$1,200,000	Relocate a portion of LA 988 in Iberville and West Baton Rouge parishes
\$2,663,000	Various local projects
\$1,000,000	James River Corporation training grant

FY 97 Funding (HB2370)	
\$3,743,673	UNO/Avondale Maritime Technology Center of Excellence
\$2,700,000	Bienville Parish for a poultry hatchery
\$300,000	Lincoln Parish for storm/water drainage improvements associated with a feed mill
\$4,550,000	Economic Development Award Program

## Other Government

*State General Fund is included for the following items, a portion of which represent enhancements over current fiscal year funding:*

\$'s	FY 98 Funding (HB1)
\$500,000	Information Technology Master Plan development.
\$30,000,000	Risk management reserves fund balance
\$5,400,000	Boll Weevil Eradication program
\$800,000	LA Endowment for the Humanities
\$4,216,661	Arts grants funding
\$1,000,000	State aid to public libraries
\$36,100	Administrative fee refund to indigent claimants associated with the Bohemia Spillway settlement
\$1,275,750	Forty-two assistant district attorneys
\$1,500,000	Youth Challenge program
\$1,450,000	State police wireless data communication system
\$1,450,000	Funding for 58 victims' assistance coordinators
\$227,604	Furniture/carpeting for Governor's Office
\$3,488,251	Computer equipment, services, and data processing positions for various executive departments
\$800,000	Management consulting projects
\$4,406,000	Supplemental pay increase (from \$278 to \$300)

\$'s	FY 97 Funding (HB2370)
\$17,956,000	Retirement systems settlements
\$5,000,000	La. Technology Innovations Fund
\$4,084,060	Drinking Water Revolving Loan Fund
\$5,400,000	Municipal Facilities Revolving Loan Fund

## Issues for FY99 and Beyond

*The state budget process now includes a practice of projecting the budget plan for four additional years. The revenue forecast is the long-term estimates adopted by the Revenue Estimating Conference; expenditures are assessed as to their recurring and growth nature; a comprehensive analysis is then completed as to how the budget balance will fare over the multiyear period.*

*The current budget plan, given all the assumptions upon which the respective forecasts are based, remains balanced throughout the projected four-year period. However, a number of major factors could derail that budget plan:*

- The national and state economies, which have been so strong and provided the basis of the state's favorable revenue performance in recent years, could easily slow much more than current projections indicate. Economic forecasts are notoriously unreliable and a change in the economic environment could greatly disrupt current revenue trends.
- Although the Medicaid situation has stabilized, the federal government continues to examine policy changes which may impact this program.
- There remains considerable uncertainty regarding the future financial requirements associated with the "Welfare Reform" initiatives.
- The cost of governmental services generally could increase greater than projected, particularly if higher inflation rates reemerge.

- With rather large state funding increases in the MFP and Medicaid, the “cuttable”, or discretionary, portion of the budget which the legislature has control will shrink in FY 98.
- The impact of legislation passed has largely been accounted for, but the ultimate effect on recurring state revenues could be understated. The chart below highlights such measures passed during the 1997 Regular Session and the expected impact to the State General Fund for the next four years:

**Impact of revenue bills**

<i>in millions</i>	<b>FY 98</b>	<b>FY 99</b>	<b>FY00</b>	<b>FY01</b>
Various hotel sales tax dedications	-\$9.6	-\$9.6	-\$9.6	-\$9.6
Increases severance dedications to locals			-\$5.7	-\$5.7
Increases tourism fund dedication		-\$1.0	-\$1.0	-\$1.0
Compulsive gaming dedication increase		-\$0.6	-\$0.6	-\$0.6
Repeal of gravel severance tax	-\$0.3	-\$0.3	-\$0.3	-\$0.3
Auto Inventory tax credit claims	-\$8.0	-\$8.0	-\$8.0	-\$8.0
Adopt fed. income tax filing req.'s	-\$1.2	-\$1.2	-\$1.2	-\$1.2
Waives inheritance tax penalty/ interest		-\$1.5	-\$1.5	-\$1.5
Repeal of inheritance tax*		-\$4.7	-\$9.7	-\$10.0
Unclaimed property disposition	\$7.6	-\$1.1	-\$1.1	-\$1.1
<b>Total</b>	<b>-\$11.5</b>	<b>-\$28.0</b>	<b>-\$38.7</b>	<b>-\$38.7</b>

*\*Ultimate revenue impact is \$60 million in FY05*